



**COUNCILMEMBER DONNA FRYE**  
City of San Diego  
Sixth District

**MEMORANDUM**

**DATE:** June 10, 2004  
**TO:** P. Lamont Ewell, City Manager  
**FROM:** Councilmember Donna Frye  
**SUBJECT:** Service Level Agreements

*Donna Frye*

On Tuesday, June 15, 2004 at the City Council meeting, the issue of Service Level Agreements was discussed. I requested at that meeting during the budget hearings for both the sewer and water departments that more information be provided to me regarding the Service Level Agreements. I was informed that approximately \$50 million was proposed for Service Level Agreements for FY 05 for the sewer department and approximately \$17 million for the water department. I also asked about the right-of-way fees that were still being charged. I believe the total amount proposed for FY 05 was approximately \$2.3 million.

Due to the lack of information and because I believed this information was critical in order to make an informed decision, I could not support the tentative adoption of either budget and voted no.

It is necessary to ensure that revenues collected for sewer and water services are used only for their intended purposes. It has been alleged, however, that this is not the case. Therefore, I am requesting that all documents related to the Service Level Agreements be provided to me so that I can review them. This includes the Service Level Agreements for all enterprise departments (sewer, water and environmental services) for FY 04 and those proposed for FY 05. I also request an accounting of the total right-of-way fees collected for FY 04 and those proposed for FY 05 and an accounting of all sewer, water and environmental services department overtime charges in FY 04.

Finally, due to the allegations that these enterprise funds have not been used for their intended purposes, I am requesting that a public hearing be scheduled to allow this issue to be discussed in full, *prior* to the final adoption of the City Budget. I also request (at that same hearing) the docketing of an item to discuss and take action on an independent audit of the enterprise funds.

Thank you for your prompt attention to this matter.

cc: Mayor and Councilmembers

*Please  
File*